

**GOVERNMENT OF ANDHRA PRADESH  
ABSTRACT**

Cooperation Department – Sri A. Jayarama Reddy, Manager, APCOB, Hyderabad – Dismissed from service – Appeal preferred before the Board of Management under SR No.53(iv) decision taken for reinstatement – Dissent noted by three Board of Directors on the resolution of Managing Committee – Implementation of the Resolution taken by the Board of Management for reinstatement - Orders – Issued.

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**AGRICULTURE & COOPERATION (COOP-VI) DEPARTMENT**

**G.O.Rt.No. 1371**

**Dated: 11-11-2009**

**Read the following:-**

1. Proceedings of the M.D., APCOB, Hyderabad, No.VC/DA/128 /A/2005/177 dated.23.05.2007.
2. From the Commissioner for Cooperation & Registrar of Cooperative Societies, A.P., Hyderabad, Letter Rc.No. 32329/07-Credit-I(B) dated.06.11.2007.
3. From M.D., APCOB, Hyderabad, Letter Rc.No.VC/DA-128/A/936 dated. 13.05.2009.
4. From Sri. A. Jayarama Reddy, Manager(Dismissed), APCOB, Hyderabad, Representations dated.19.02.2009 & .09.2009.

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**ORDER:**

1. In the reference 1<sup>st</sup> read above, Sri. A. Jayarama Reddy, Manager, APCOB, Hyderabad was dismissed from service on 23.05.2007, under the pretext of non- recovery of certain loans sanctioned by him. On an appeal, filed by the individual the Board of Management who is the Appellate Authority, resolved to reduce the punishment of dismissal from service to that of stoppage of 3 annual grade increments with cumulative effect subject to certain other conditions.

2. The Board of Management of APCOB, which is Appellate Authority, in their meeting held on 27.09.2007, has resolved “to reduce the punishment imposed against Sri. A. Jayarama Reddy, Manager (Dismissed), from dismissal from service to that of stoppage of three increments with cumulative effect and reinstate Sri. A. Jayarama Reddy, Manager (Dismissed) into service, subject to the following:

- a) He shall be responsible for recovery of the loans sanctioned by him and covered under the charges, without prejudice to fixation of financial liability in the event of non recovery of the said loans;
- b) To treat the period from 23.05.07, i.e., the date of his dismissal to till the date of his reporting back to duty upon reinstatement, as dies non, i.e., without any pay or other service benefits.”

3. In the reference 2<sup>nd</sup> read above, the Commissioner for Cooperation and Registrar of Cooperative Societies, A.P., Hyderabad has informed that the Government nominees viz., Commissioner for Cooperation and Registrar of Cooperative Societies, A.P., Hyderabad, Chief General Manager, NABARD, Hyderabad and Chartered Accountant, expressed their dissent to the above resolution of the Board opinion that such a decision is not in the interest of effective functioning of the Bank. As per the provisions of Section 33(3) of the APCS Act 1964, the Commissioner for Cooperation and Registrar of Cooperative Societies, A.P., Hyderabad has referred the Resolution No.20 dated.27.09.2007 of Board of Management of APCOB, to Government for a decision.

4. In the reference 3<sup>rd</sup> read above, the MD., APCOB, has stated that the individual while working as manager at Vidyut Soudha Branch has sanctioned Rs.30,000/- only to one Sri. K. Rama Rao. However the amount with interest was calculated to Rs. 3,01,363/-. The MD., APCOB, has further stated that three other loans were sanctioned by Sri. A. Jayarama Reddy at Secunderabad Branch which are exhibiting total outstanding of Rs.77,492/-.

5. In the reference 4<sup>th</sup> read above, Sri. A. Jayarama Reddy, Manager(Dismitted), has stated that out of 28 loans covered under the charges only one loan is outstanding at APCOB Vidyut Soudha Branch. Out of the sanctioned amount of Rs.30,000/-, the borrower has paid Rs.5000/- and defaulted the payment of subsequent instalments. The bank filed E.P. Petition for recovery and a criminal case was also filed before the Metropolitan Magistrate Court, Nampally against the borrower. Further, the borrower was said to be enlightened about the one time settlement (OTS) which comes about Rs.72,000/- (approximately) and the petitioner is ready to deposit the said amount and the same has to be reimbursed from him after the loan is recovered through the legal process.

6. Further Sri. A. Jayarama Reddy, Manager(Dismitted), has stated that, with regard to the loans sanctioned by him at Secunderabad Branch( the issue is not at all covered in the charge), he sanctioned loans to 3 persons ( Rs.14,000/-+ 15,000/-+ 15,000/-) and out of which 2 persons expired and the remaining case is time barred due to the inaction of his successor managers and he is no way connected to this issue. However, the cases are under legal process. He has requested for reinstatement into service.

7. The Government after careful examination of the entire matter observed that the Board of Management in their resolution dt.27.09.2007 has rightly resolved to reinstate the individual into service with certain other conditions as the punishment imposed on the individual is on high side.

8. Accordingly, the Government hereby direct to implement the Resolution No.20 dated.27.09.2007 of Board of Management of APCOB in-toto forthwith.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

K RATNA KISHORE  
PRINCIPAL SECRETARY TO GOVERNMENT

**To**

The Managing Director, Andhra Pradesh State Cooperative Bank, Hyderabad.

**Copy to:**

The Commissioner for Cooperation and Registrar of Cooperative Societies,  
Andhra Pradesh, Hyderabad.

The PS to Minister for Co-operation.

The PS to Principal Secretary (Cooperation & Agricultural Marketing)

//FORWARDED BY ORDER//

SECTION OFFICER